
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 5.5.2010

Wall Street Journal: "What-Ifs for Goldman Sachs ... Some executives and powerful alumni of Goldman Sachs Group Inc. are talking about whether Chief Executive Lloyd C. Blankfein can survive the legal and public-relations storm swirling around the company, according to people familiar with the situation."

Wall Street Journal: "Goldman Visits the Court of Public Financing ... In the weeks since Goldman Sachs Group Inc. was sued over alleged fraud, the firm has engaged in a charm offensive to keep customers from defecting. But it hasn't always worked."

Wall Street Journal: "Lawmakers Target Investment Banks ... Lawmakers are weighing tough new legal standards for investment banks' dealings with customers, after allegations that Goldman Sachs Group Inc. took advantage of clients in the mortgage-market collapse."

Wall Street Journal: "Goldman Disciplined on Short Sales ... The Securities and Exchange Commission and the regulatory arm of NYSE Euronext disciplined an equities unit of Goldman Sachs Co. on Tuesday for alleged violations of rules on short selling stocks."

Wall Street Journal: "SEC Investigates Firms Doing Business in Terror Hubs ... The Securities and Exchange Commission is conducting a broad investigation into companies doing business in nations designated as state sponsors of terrorism, as the U.S. government seeks to determine whether any operations were used to support terrorist activities, people familiar with the matter said."

Wall Street Journal: "The Greek Bailout Flop ... It hasn't been a week since the terms of Athens's €110 billion (\$145 billion) bailout were set, and already the reviews of this latest Greek drama are saying it's a flop. Yesterday the euro sank to its lowest level in a year."

Washington Post: "Some Democrats reluctant to include bank tax in overhaul ... Lawmakers seeking to overhaul financial industry regulations grappled Tuesday with the question of how to cover the cost of federal bailouts."

Washington Post: "Some lawmakers also shorted stocks, congressional records show ... As Congress criticized Wall Street for the proliferation of risky derivatives investments and short-selling practices in recent years, some lawmakers privately made highly speculative investments in derivatives funds that sometimes aimed to profit from a decline in the overall performance of the stock market or Treasury bonds, congressional financial disclosure forms show."

NY Times: "Crisis Panel to Probe Window-Dressing at Banks ... It's an open secret on Wall Street that many big banks routinely - and legally - fudge their quarterly books."

NY Times: "Bill Drops Fund to Shut Failed Banks ... Leaders of the Senate Banking Committee said Tuesday that they had reached an agreement to limit the likelihood that big banks would be bailed out by taxpayers."

NY Times: "The Hard Work on Financial Reform ... The procedural vote in the Senate last week on financial reform did more than end a Republican filibuster."

LA Times: "Bankers trot out tired, old arguments against financial overhaul ... Every time I hear a big industry crab about how some new set of government regulations will mean the end to life as we know it, bring the economy crashing down around our heads, or burden the consumer with more passed-on costs, I think of the smartest words Ronald Reagan ever spoke."

Washington Times: "Bank bill could help feds snoop, GOP warns ... Fights over derivatives and bailouts are getting more attention, but Senate Republicans are planning a battle over two federal agencies created by Senate Democrats' financial-regulation bill, warning that the proposed agencies give the government new ways to tap into consumers' personal information."

Washington Times: "NUGENT: Is the kettle black enough? ... If ever there was a case of the proverbial pot calling the kettle black, it is the cluster of new financial "reform" regulations Washington politicians are trying to foist on the back of Wall Street."

Politico: "Corker bucks GOP without regrets ... Tennessee Sen. Bob Corker knows that some of his Republican colleagues are complaining about him."

Politico: "Republicans slam bank tax ... Treasury Secretary Timothy Geithner sought to portray the Obama administration's proposed bank tax in the best possible political light Tuesday, calling it a "too-big-to-fail tax" in testimony before the Senate Finance Committee."

The Hill: "Payments burden Fannie, Freddie ... Fannie Mae and Freddie Mac see the billions in dividends they must pay annually to the Treasury Department as a significant burden that cripples any hope they have of returning to profitability."

The Hill: "Divided Dems fight over Wall St. reform ... Divisions among Democrats emerged Tuesday on the details of Wall Street reform legislation."

The Hill: "Wyden, Grassley want end to secret holds as part of Wall Street reform bill ... The two senators have offered an amendment to the Senate's financial reform legislation."